



General Assembly

January Session, 2003

Raised Bill No. 834

LCO No. 2665

Referred to Committee on Public Health

Introduced by:
(PH)

AN ACT CONCERNING THE SUBSTANCE ABUSE REVOLVING LOAN FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17a-674 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 (a) There is established a Substance Abuse Revolving Loan Fund.
4 The fund shall contain any moneys required by law to be deposited in
5 the fund and may contain any other funds as provided in subsection
6 (b) of this section. The fund shall be administered and used by the
7 Department of Mental Health and Addiction Services for loans to
8 private nonprofit agencies for the cost of establishing group homes for
9 four or more persons recovering from substance abuse problems.
10 Payments made on any loans made pursuant to this section shall be
11 deposited in said fund.

12 (b) Federal block grant funds allocated to the department pursuant
13 to section 4-28b may be deposited in said fund, and the department
14 may accept contributions from any source, public or private, for
15 deposit in said fund.

16 (c) No loan made pursuant to subsection (a) of this section shall be
 17 in an amount in excess of [four] ten thousand dollars or for a term of
 18 more than two years. Each such loan shall be repaid in monthly
 19 installments and shall bear interest at a rate to be determined by the
 20 department, but not to exceed six per cent per year. The department
 21 may assess a penalty not to exceed five per cent of any amounts that
 22 are delinquent or past due for more than six months. Amounts
 23 received in repayment of a loan made under this section shall be
 24 applied first to the current monthly installment due, then to any
 25 interest due, then to the principal of the oldest outstanding loan. Such
 26 loan terms, interest requirements and penalty provisions shall be
 27 included in each loan agreement and in any contract for the
 28 administration of the program made pursuant to subsection (d) of this
 29 section. Each loan agreement shall specify that the recipient shall use
 30 such loan in accordance with the guidelines issued by the Secretary of
 31 the Department of Health and Human Services of the federal
 32 government pursuant to the requirements of Public Law 100-690 for
 33 such loans.

34 (d) The department may administer said fund directly or through a
 35 contract with a private nonprofit agency. The department shall adopt
 36 such regulations, in accordance with the provisions of chapter 54, as
 37 may be necessary to administer the program.

This act shall take effect as follows:	
Section 1	<i>October 1, 2003</i>

Statement of Purpose:

To increase the usage of the Substance Abuse Revolving Loan Fund, thereby providing more housing options for persons with substance abuse disorders.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]